

Governor Haley Barbour

Promises Made. Promises Kept.

When Haley Barbour ran for Governor, he offered a new path for Mississippi. “Haley’s Plan” was needed because in the prior four years, Mississippi had gotten off on the wrong track. “Haley’s Plan” identified problems and offered specific solutions for:

- Creating More and Better Jobs
- Improving Education
- A Healthy Mississippi
- Safer Communities
- Stronger Families

Creating More and Better Jobs: Promises Made...Promises Kept

In the four years before Haley Barbour became Governor:

- Mississippi suffered a net loss of 38,300 jobs
- Mississippi lost a higher percentage of our manufacturing jobs than any other state in the entire country. Mississippi suffered a net loss of 49,700 of our highest paying jobs – a 22% decline in manufacturing employment.

Why were we hemorrhaging jobs?

- For two straight years, the U.S. Chamber of Commerce ranked Mississippi worst in the nation for lawsuit abuse. Every small business was one lawsuit away from bankruptcy.
- Workforce training was not a state government priority. \$43 million of job training money available from the federal government went unspent because the state was not managing the workforce training programs properly. During the Musgrove Administration, the budget for our Community Colleges, which are our principal workforce training institutions, was cut 16%.
- In four years, Mississippi went from the best financial condition in our state’s history to a more than \$700 million budget hole. The budget mess left many people saying that there was no alternative but a tax increase.
- A lack of focus on regional economic development and a one-size-fits-all approach in our economic development incentives and programs.

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Haley's Plan: Enact real, comprehensive tort reform

- Haley and the Legislature enacted what the Wall Street Journal called the most comprehensive tort reform legislation in the country.
- After tort reform, liability rates went down, automobile insurance rates went down, homeowner's and other property insurance rates went down, and more than 50 new insurance programs entered our state. Tort reform created more competition, more affordable insurance, and created jobs by reducing unnecessary costs for small businesses.

Haley's Plan: Reform our job training systems

- The Legislature approved the Governor's plan to completely overhaul our state job training system under the reformed Department of Employment Security. We are no longer leaving available federal resources on the table and our job training programs are better aligned with what the private sector needs. In its first year, the number of clients the reorganized department placed in jobs increased by 35% over the previous year.
- The state workforce training budget was doubled over two years and a new, stable funding source was created without raising taxes.
- The Legislature approved the Governor's proposal to reform the unemployment tax system to provide dedicated funding to workforce training while cutting state payroll taxes by 25%.

Haley's Plan: Balance the budget without raising taxes

- In 2 ½ years, Mississippi went from a \$700 million budget hole to a projected surplus of more than \$100 million without raising anybody's taxes.
- Working together, the Legislature and Governor Barbour got control of state spending by reforming programs such as Medicaid and the prison system. In the current fiscal year (FY 06), state spending will grow by less than 1% while state revenues increase by more than 10%.
- In the upcoming fiscal year (FY 07), Mississippi will begin to rebuild our rainy day fund by setting aside 2% of state revenues for the first time in three years.
- In 2005, for the first time since 1987, our state paid off more debt than was issued, so our bonded indebtedness actually went down. This will provide financial relief to our kids and grandkids.
- State government is running more efficiently. For example, the Mississippi Development Authority is working more prospects than ever even with an 11% smaller workforce.

Haley's Plan: Realign our Economic Development Programs

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- Haley formed Momentum Mississippi, a group of business, education, and government leaders from every area of the state dedicated to planning for long-term economic development.
- In a Special Session, the Legislature approved Momentum Mississippi's first set of recommendations, which realigned our economic development incentives to match the growth sectors of the economy and to provide incentives for higher paying jobs.

The Results of Haley's Plan?

More people are working in higher paying jobs.

- Despite enduring the worst natural disaster in American history, nearly 20,000 more Mississippians are working today than when Haley began his term, and employment is higher than pre-Katrina levels.
- The free-fall loss of manufacturing jobs has been stopped and manufacturing employment has remained steady for the last 2 ½ years.
- For the first time in 75 years, Mississippi is not last in the country in per capita personal income.
- In 2004, personal income grew at the fastest rate since 1998 and it grew by another 4% in 2005.

The Report Card on Improving Education: Promises Made...Promises Kept

In the four years before Haley Barbour became Governor:

- There was a lack of focus on lifelong learning. K-12 spending increased, but at the expense of community colleges and universities. During the Musgrove Administration, the community colleges' budget was cut \$32 million (16%) and the universities budget was cut \$45 million (7%).
- Politicians' commitment to education was only measured by how much money they were willing to spend. Increasing funding is important, but we also have to get better results for the money we spend. The discussion of how to improve our public schools was focused just on money; not fundamentals.

Haley's Plan: Improve Education

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- The Legislature overwhelmingly approved the proposals first set out in “Haley’s Plan” and refined through a collaborative, participatory process which included more than 250 classroom teachers to focus on the fundamentals of improving student achievement. The result was the “UpGrade” Education reform package.
- The Legislature approved Haley’s plan to encourage innovation at the local level by granting “Home Rule” to all districts and liberating successful schools from State Department of Education paperwork.
- The Legislature approved most of Haley’s plan to recruit and retain teachers by allowing automatic certification of any teacher meeting federal No Child Left Behind “highly qualified teacher” definition; authorizing a plan to pay teachers based on performance; authorizing higher pay for teachers in hard to staff subjects and districts; and expanding alternative certification programs.
- The Legislature approved part of Haley’s plan to UpGrade school discipline by authorizing financial rewards for teachers who serve as mentors to other middle school teachers.
- The Legislature approved Haley’s plan to redesign our high schools by creating the Mississippi Virtual Public school; expanding dual credit and dual enrollment programs; and requiring access to AP courses.
- The Legislature approved the plan to UpGrade how we use our resources by making the education budget process more uniform and transparent so taxpayers can see how our education dollars are spent and by authorizing the privatization of certain school budget functions.
- Governor Barbour worked with the Legislature to set a focus on Mississippi’s unacceptably high dropout rate by creating an Associate State Superintendent level position for dropout prevention.
- To improve early childhood education, Haley directed the Department of Human Services to implement a “quality rating system” that incents private childcare providers to provide educational content in their programs. DHS will begin implementing this system this summer.

The Results of Haley’s Plan?

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**We are providing more resources
while seeking better results for the money we spend.**

- In the upcoming school year, for the first time, local school leaders will be free to make innovative decisions about how to run their schools without checking with officials in Jackson first.
- In the upcoming school year, for the first time, every student will have the opportunity to earn college credit in high school.
- For the first time, Mississippi is honestly acknowledging our 40% dropout rate and is implementing plans to address it.
- For the first time, the state will direct resources through private child care providers to ensure that our children are ready to learn by kindergarten.
- In the upcoming 2006-2007 school year, teachers will be making an average of 30% more than they were six years ago, after two consecutive 8% increases in teacher pay during the Barbour Administration.
- In the upcoming 2006-2007 school year, per student spending in our public schools will be approximately \$7800, a 22% increase during the Barbour Administration. Since Haley has been Governor, state support for our K-12 school districts through the Mississippi Adequate Education Program has increased \$323 million, or 19%.
- Under Governor Barbour's leadership, the Legislature restored the funding cuts our universities and communities suffered during the Musgrove Administration. Support for Community Colleges has increased \$50 million, or 29%, including a doubling of state support for workforce training. Support for universities has increased \$93 million, or 16%.

**The Report Card - Healthy Mississippi:
Promises Made...Promises Kept**

In the four years before Haley Barbour became Governor:

- There was a health care crisis in Mississippi and it was caused by lawsuit abuse. Frivolous lawsuits increased the cost of health care and caused doctors to leave the state and hospitals to lose insurance. Obstetric wards were closing and neurosurgeons had stopped performing emergency surgery.
- The cost of Medicaid, the program through which taxpayers provide health care for more than 20% of all Mississippians, had nearly doubled. The unsustainable increases in the cost of

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Medicaid threatened the solvency of the program upon which so many rely and was sucking money away from other priorities such as education and law enforcement.

Haley's Plan: A Healthy Mississippi

- Enact tort reform to ensure access to quality health care.
- Promote disease management to improve health care at a lower cost.
- Protect the solvency of Medicaid so it can serve those who truly need it.

The Results of Haley's Plan?

We are keeping our doctors in our state and taking care of the truly needy with a financially solvent Medicaid program.

- The Governor worked with the Legislature to enact what the Wall Street Journal called the most comprehensive tort reform legislation in the country to end lawsuit abuse. After tort reform, the largest insurer of doctors in the state cut their rates for the first time in years and began writing new policies, the biggest health care insurer in the state cut their rates, and new insurance providers entered Mississippi.
- It is wrong for a family to work hard at two or three jobs to raise their kids and pay for healthcare, and then have to turn around and pay extra taxes so others who are able to work and take care of themselves instead choose not to but get free healthcare at taxpayers expense. Under Governor Barbour, Medicaid is now checking people's eligibility face-to-face. Since Governor Barbour took office, the Medicaid rolls have decreased to less than 600,000 and Medicaid is spending less money this year than last year.
- Under Governor Barbour, Medicaid has changed its prescription drug program to better utilize generic drugs instead of more expensive brand name drugs. When Haley took office, 45% of the drugs prescribed by Medicaid were generic; now 58% of the drugs prescribed are generic. In the last year, the cost of prescription drugs in the Medicaid program has dropped 32%, saving taxpayers millions of dollars.
- If health problems are detected early, it is easier for them to be treated. Under Governor Barbour, Medicaid is offering a free annual physical examination to every Medicaid beneficiary to check them for diabetes, high blood pressure, and to make sure they're taking the right medications.
- To improve health care for more than 100,000 state employees, state retirees, and their families, the state employee insurance plan is now providing 100% pre-deductible coverage up to \$250 for wellness/preventive services.

The Report Card on Making our Communities Safer:

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Promises Made...Promises Kept

Before Haley Barbour became Governor:

- State leadership was not focused on stopping the crime epidemic caused by drugs. The budget for drug enforcement was cut 41%, even though nearly 80% of crime is drug related and state law enforcement efforts were not properly organized to assist local law enforcement.
- The Department of Corrections' budget was increasing at an unsustainable rate, putting pressure on the prison system to release inmates who need to be in jail. The Musgrove Administration did not adequately use private and regional jails to control costs.

Haley's Plan: Safer Communities

- Lead the fight against drug crime
- Protect our children from drugs and sexual predators
- Support Law Enforcement
- Manage the prison system so convicts stay behind bars

The Results of Haley's Plan?

We are giving law enforcement more resources to fight drug crime while putting criminals behind bars.

- The Legislature approved Governor Barbour's plan to reorganize the Bureau of Narcotics within the Department of Public Safety to better coordinate state law enforcement efforts and to better support local law enforcement. In the first year, drug arrests by the new Department of Public Safety increased 73%.
- After being cut 41% in Musgrove Administration, the drug enforcement budget has increased 20% in the first three years of the Barbour Administration.
- Governor Barbour proposed and signed laws to give prosecutors and law enforcement new tools in the fight against crystal meth and other drugs and to protect our kids from sexual predators. Basic ingredients for crystal meth now have to be kept behind the pharmacist's counter and anyone who puts a child in an area where drugs are manufacture or sold can now be charged with a felony. Sex offenders now have to re-register face-to-face every 90 days. This has helped Mississippi have one of the lowest non-compliance rates in the country for sex offenders.
- Under Governor Barbour, the Highway Patrol put more troopers on the road, including 43 new troopers. Another Highway Patrol School is planned for this fall.

- Governor Barbour signed into law the largest pay raise for state troopers in Highway Patrol history.
- There is no reason taxpayers should have to pay first-class hotel rates when we incarcerate dangerous criminals. Under Governor Barbour's leadership, the Department of Corrections has streamlined its workforce; shut down inefficient, out-of-date units at Parchman; reopened the private prison in Greenwood; and maximized the use of county-owned regional jails. These reforms have saved taxpayers millions of dollars.

The Report Card on Building Stronger Families: Promises Made...Promises Kept

We are making Mississippi the safest place in the nation for an unborn child while promoting adoption and protecting the most vulnerable children in our society.

- After Governor Barbour signed into law seven new pro-life laws, Americans United for Life called Mississippi the safest place in the nation for an unborn child. One of these measures is a "conscience exception" bill which allows health care providers to opt out of performing abortions without fear of retribution.
- Parents who want to adopt a child into a loving home sometimes face a costly, bureaucratic process that makes it harder financially for them to adopt. The Governor signed into a law a \$2500 income tax credit to help adoptive parents with the costs incurred when adopting a child.
- The Legislature enacted the Barbour Administration's proposals to reform our state's foster care system to improve the program which serves more than 3000 of Mississippi's most vulnerable children and families, including adding direct care workers and increasing their salaries.

A Report on Hurricane Katrina

After Mississippi bore the brunt of the worst natural disaster in American history, our people are back and have begun rebuilding South Mississippi better than it was before Hurricane Katrina.

- Shortly after Hurricane Katrina hit, Governor Barbour announced the formation of the Governor's Commission on Recovery, Rebuilding and Renewal to develop a broad vision for a better Gulf Coast and South Mississippi. The Governor's Commission focused on giving local leaders access to ideas and information that will help them decide what their region will look like five, ten, even twenty or thirty years from now.

- According to the independent demographic research firm Claritas, the population of the six coastal Mississippi counties is currently 98% of the pre-Katrina population.
- Nearly 80,000 children were out of school in Mississippi immediately after the storm. By October 10, six weeks after Katrina, all but one school district was back open, and that district opened November 6, when its portable classrooms arrived. Mississippi K-12 schools on the Coast are operating at nearly 90% of pre-Katrina enrollment.
- Temporary housing after a disaster has never been installed as fast or on such a large scale as it has been in Mississippi after Hurricane Katrina which has made it possible for Mississippians to stay near their homes, schools, and workplaces. Today, more than 38,000 units of temporary housing are occupied by more than 100,000 Mississippians.
- According to the Bureau of Labor Statistics, non-farm employment in Mississippi eclipsed the pre-Katrina level in February 2006, and employment levels continue to rise.
- Hurricane Katrina left more than 45 million cubic yards of debris in its wake, twice as much as the previous record caused by Hurricane Andrew. As of May 1st, some 40 million cubic yards or 92% of this debris has been removed and disposed.
- The federal government is providing more resources and flexibility than ever before to help Mississippi rebuild. The state is currently accepting applications for the Homeowners Grant program, an innovative new program which will provide grants up to \$150,000 to thousands of Mississippi homeowners, which they may use to rebuild or repair their houses.
- Nearly 3500 businesses and 20,000 homeowners in Mississippi have been approved for \$1.9 billion in SBA loans and FEMA has approved more than \$450 million in assistance for individuals. More than \$10 billion of insurance payments have been paid statewide.
- Before Katrina, Mississippi realigned our economic development incentives to encourage higher paying jobs in growing sectors of the economy; enacted what the Wall Street Journal called the most comprehensive tort reform law in the country; and overhauled our workforce training programs. Combined with the federal tax incentives of the GoZone, there has never been a better time to invest in Mississippi.

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